

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

| | | | |
|---------------------------------|---|---------------------|--------------------------------|
| UNITED STATES OF AMERICA | : | CRIMINAL NO. | |
| | : | | |
| | : | DATE FILED: | |
| | : | | |
| v. | : | VIOLATIONS: | 18 U.S.C. § 286 |
| | : | | (Conspiracy to make |
| | : | | false claims - 1 count) |
| ELIZABETH MOORE | : | | 18 U.S.C. § 287 |
| | : | | (False claims - 11 |
| | : | | counts) |
| | : | | 18 U.S.C. § 2 |
| | : | | (Aiding and abetting) |

I N D I C T M E N T

COUNT ONE

THE GRAND JURY CHARGES THAT:

INTRODUCTION

At all times material to this Indictment:

1. Defendant ELIZABETH MOORE was a resident of the City of Philadelphia.
2. Defendant ELIZABETH MOORE filed, and recruited and helped numerous persons to file, income tax returns based on false and fraudulent W-2 forms which she had prepared. These fake W-2 forms permitted defendant MOORE and her associates to obtain Earned Income Credits ("EICs").
3. EICs are payments made by the Internal Revenue Service ("IRS") to people who work but earn low wages. These payments supplement any tax refund due and encourage people to work.

THE CONSPIRACY

4. From in or about January 2000 until at least February 2001, in the Eastern District of Pennsylvania, defendant

ELIZABETH MOORE

conspired and agreed, together with others known and unknown the Grand Jury, to defraud the United States and the Internal Revenue Service, an agency of the United States Department of the Treasury, by obtaining, and aiding others to obtain, the payment of false, fictitious and fraudulent claims, that is, tax returns which made false and fraudulent claims for tax credits and refunds.

Manner and Means

5. Defendant ELIZABETH MOORE recruited individuals to participate in the scheme.

6. These individuals, in turn, identified other recruits for defendant ELIZABETH MOORE.

7. Defendant ELIZABETH MOORE and others, both known and unknown to the Grand Jury, filed, and caused others to file, 1999 and 2000 federal income tax returns which fraudulently claimed EICs and tax refunds.

8. Defendant ELIZABETH MOORE created false Forms W-2 in the names and social security numbers of each recruited individual. These Forms W-2 bore the names of real employers, but were false because the employer did not prepare them and the person named on the W-2 did not earn the wages claimed. In addition, the W-2s falsely represented that the employer had withheld taxes for the employee.

9. Defendant ELIZABETH MOORE and others, both known and unknown to the Grand Jury, caused the false Forms W-2 to be filed with the IRS along with U.S. Individual Income Tax returns.

10. Defendant ELIZABETH MOORE and others, both known and unknown to the Grand Jury, caused the IRS to make fraudulent tax credit and refund payments to themselves and to others.

11. Defendant ELIZABETH MOORE charged her recruits a fee for her fraudulent tax return preparation services based on the amount of the IRS payment.

Overt Acts

In furtherance of the conspiracy, defendant ELIZABETH MOORE and others known and unknown to the Grand Jury, committed the following overt acts in the Eastern District of Pennsylvania and elsewhere:

1. On or about the following dates, defendant ELIZABETH MOORE and the following individuals filed false tax returns with the IRS based on W-2 forms fabricated by defendant MOORE. The phantom income declared on the W-2s and the amount falsely claimed from the IRS are identified in the following table:

| <u>Claimant</u> | <u>Filing Date</u> | <u>Declared Income</u> | <u>False Claim</u> |
|------------------------|---------------------------|-------------------------------|---------------------------|
| JB | 3/13/00 | \$9,947 | \$3,305 |
| JB | 1/14/01 | \$9,947 | \$3,347 |
| IC | 1/24/01 | \$9,947 | \$4,881 |
| CH | 1/24/01 | \$9,947 | \$4,881 |
| DH | 1/19/01 | \$9,147 | \$4,353 |
| TH | 1/24/00 | \$9,147 | \$4,353 |

| <u>Claimant</u> | <u>Filing Date</u> | <u>Declared Income</u> | <u>False Claim</u> |
|-----------------|--------------------|------------------------|--------------------|
| TH | 2/28/01 | \$9,947 | \$1,028 |
| Elizabeth Moore | 1/24/00 | \$9,947 | \$3,305 |
| PQ | 1/31/00 | \$9,947 | \$581 |
| AS | 1/27/00 | \$9,147 | \$4,353 |
| AS | 1/24/01 | \$9,947 | \$3,987 |

2. On or about the following dates, defendant ELIZABETH MOORE and others received the following payments from the IRS or from banks who participated in the Rapid Refund Program:

| <u>Claimant</u> | <u>Payment Date</u> | <u>Payment</u> |
|-----------------|---------------------|----------------|
| JB | 4/10/00 | \$3,305 |
| CH | 4/16/01 | \$4,881 |
| TH | 2/14/00 | \$4,353 |
| Elizabeth Moore | 2/14/00 | \$3,305 |
| PQ | 2/21/00 | \$581 |
| AS | 2/21/00 | \$4,353 |

3. On or about the following dates, defendant ELIZABETH MOORE received the payments listed below from either the IRS (for her claim) or the persons whom she had recruited to defraud the IRS. Defendant MOORE'S recruits paid defendant MOORE a fee to compensate her for bringing the fraud opportunity to their attention and for preparing the false form W-2s:

| <u>Claimant</u> | <u>Payment Date</u> | <u>Moore's Payment</u> |
|-----------------|---------------------|------------------------|
| JB | 4/10/00 | \$1,000 |

| <u>Claimant</u> | <u>Payment Date</u> | <u>Moore's Payment</u> |
|------------------------|----------------------------|-------------------------------|
| CH | 4/16/01 | \$2,000 |
| TH | 2/14/00 | \$1,500 |
| Elizabeth Moore | 2/3/00 | \$3,305 |
| PQ | 2/21/00 | \$210 |
| AS | 2/21/00 | \$1,000 |

All in violation of Title 18, United States Code, Section 286.

COUNTS TWO THROUGH TWELVE

1. Paragraphs 1 to 3 and 5 to 11 of Count One are incorporated here.
2. On or about the dates shown below, in the Eastern District of Pennsylvania,
defendant

ELIZABETH MOORE

knowingly made and presented, and aided, abetted, and willfully caused to be made and presented, to the Internal Revenue Service, an agency of the U.S. Department of the Treasury, claims against the United States for payment, knowing the claims to be false and fraudulent, that is, the federal income tax returns for the individuals named below that falsely and fraudulently claimed Earned Income Credits and income tax refunds in the amounts listed below:

| <u>Count</u> | <u>Claimant</u> | <u>Tax Year</u> | <u>Date of Claim</u> | <u>False Claim</u> |
|---------------------|------------------------|------------------------|-----------------------------|---------------------------|
| 2. | JB | 1999 | 3/13/00 | \$3,305 |
| 3. | JB | 2000 | 1/14/01 | \$3,347 |
| 4. | IC | 2000 | 1/24/01 | \$4,881 |
| 5. | CH | 2000 | 1/24/01 | \$4,881 |
| 6. | DH | 2000 | 1/19/01 | \$4,353 |
| 7. | TH | 1999 | 1/24/00 | \$4,353 |
| 8. | TH | 2000 | 2/28/01 | \$1,028 |
| 9. | Elizabeth Moore | 1999 | 1/24/00 | \$3,305 |
| 10. | PQ | 1999 | 1/31/00 | \$581 |

| <u>Count</u> | <u>Claimant</u> | <u>Tax Year</u> | <u>Date of Claim</u> | <u>False Claim</u> |
|--------------|-----------------|-----------------|----------------------|--------------------|
| 11. | AS | 1999 | 1/27/00 | \$4,353 |
| 12. | AS | 2000 | 1/24/01 | \$3,987 |

All in violation of Title 18, United States Code, Sections 287 and 2.

A TRUE BILL:

GRAND JURY FOREPERSON

PATRICK L. MEEHAN
United States Attorney